



## **Design Decisions for the New Human Resource System**

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Recently, the Department of Personnel unveiled design options and recommendations for the major components of the state's new human resource system. A number of factors and considerations helped shape these design options, including:

- Statutory requirements
- Current personnel practices and experiences in other states and jurisdictions
- Best practices in the HR industry
- Needs and preferences of state managers, employees, and HR professionals
- Cultural, political, and economic considerations
- Pre-defined design criteria
- Time and resource realities

During May and June 2003, DOP presented the HR 2005 design options and recommendations to the PSRA advisory group, agency management teams, HR professionals, and employee focus groups at various locations throughout the state. All groups offered a good deal of constructive feedback. Much of it corroborated the customer input that was solicited one year ago, indicating that design efforts have been on the right track. There was general consensus and support for most of the design recommendations.

Based on this, the Department of Personnel has made determinations as to which design options it is advancing for further development, adoption, and implementation. These key features of the state's new HR system are outlined herein.

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### **Classification and Compensation**

- The present 2,400 job classifications will be consolidated into approximately 200-300 broad occupational categories.
- Each occupational category will typically have four levels: entry; journey; senior/lead; supervisory/expert.
- The existing 83 salary ranges will be consolidated into fewer, broader salary "bands". Each level within an occupational category will be assigned a different salary band.
- Upon implementation, employees will be transitioned into the new class/comp structure at their existing salary. If not already at the present step K, they will continue to receive traditional step increases until they reach the equivalent of step K in the new structure. Note: 75% will be at K at transition time.
- Subsequent to initial transition, the exact placement of a position in a band, including its salary spread, will likely be determined by a job evaluation method that is presently being developed.
- Longevity-based step increases: Within a position's assigned salary spread, agencies will have discretion to determine the number, % amount, and timing of longevity steps.
- Performance/value step increases: Within a position's assigned salary spread, agencies will have discretion to determine the number, % amount, and timing of increases to base pay that are awarded for superior performance.
- Recognition pay: Agencies may award a lump sum (not an ongoing addition to base pay) to recognize superior performance, outstanding achievements, and/or acquisition and demonstration of new skills.

- “Readiness confirmation” – Prior to offering performance-linked compensation, an agency must receive a “readiness confirmation” from the Department of Personnel. Such confirmation would indicate that training, communications, and performance management systems are in place to ensure valid, fair, and equitable performance-based decisions.
- Other tools to adjust compensation will include:
 

Recruitment/retention pay	Call-back pay
Assignment/skill pay	Overtime
Shift differential pay	Exchange time
Stand-by pay	
- The “Scheduled” work period designation will be retained. However, the rules pertaining to schedule changes will be loosened to allow greater flexibility to employee and employer.

## Recruitment and Selection

- Agencies will have the discretion to have decentralized recruitment/selection processes, or to opt for DOP’s on-line application and screening process (Inet App). Inet App will also be made available to higher ed.
- Applications can be accepted at any time (no required open/close dates).
- Required minimum qualifications will be eliminated (except when required by law).
- Classification-based testing requirements will be eliminated.
- Candidate pools will be determined on the basis of position-specific needs, rather than job class.
- Each candidate pools will be one unranked list.<sup>1</sup> However, agencies will have discretion to determine whether and how to provide for promotional preference.
- Candidate referral will be at the agency level, rather than centralized in DOP. There will be no centrally mandated “rule of X”. Each agency determines how many names to refer.
- Within guidelines, appointing authorities will be able to view personnel files of employees in other agencies who are under consideration for employment in the hiring agency.
- Probationary periods: DOP will set probationary period for most occupational categories at 6 months (some will be at 12). Agencies then have the discretion to extend the period up to 6 months longer, for a maximum of 12 months.
- Trial service period: Same as above.
- Promotional candidates who fail to pass trial service periods will retain reversion rights to previous job.
- Agencies may opt to establish review periods for transfers, demotions, and other internal movement appointments.
- Temporary appointments – pending.
- Incorporate intermittent and emergency appointments into rules for temporary appointments – pending.
- Enabling provisions for in-training, college recruitment program, and developmental assignments will be put in place.

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<sup>1</sup> Except for RIF candidates. See RIF section, page 3.

## Performance Management

- DOP will provide a package of guidance, training, and tools to help agencies put in place a comprehensive *individual* performance management system that helps link the individual's contribution to the *organizational* performance management system.
- Organizations choosing to use performance as a factor in compensation, layoff, or other key HR decisions, must first receive a "readiness confirmation" from DOP, which verifies that an effective individual performance management system is in place.
- Managers and supervisors will be required to have performance management training within 6 months of assuming a supervisory position.
- The EDPP and MDPP will be merged to better facilitate establishment of performance expectations and subsequent appraisal.
- A supplemental tool(s) will be provided by DOP for use in linking performance to pay, layoff, and other key HR decisions.
- Agencies may opt to pilot and implement a 'positive discipline approach'.
- Rule on abandonment will be updated to expedite dismissal.
- The present list of disciplinary causes in WAC, will be replaced with "for cause".

## Reduction-in-Force

- Seniority calculation streamlining – pending HRMS capability determinations
- Agencies will determine or negotiate layoff units.
- In addition to seniority, agencies may factor in performance, competencies, or other legitimate business needs when determining who will be laid off.
- Agency would determine how to incorporate performance or other factors, within DOP guidelines and having received "readiness confirmation".
- During RIF, may consider vacancies where person has not held permanent status. Also, when moving a person to a vacancy that would be less pay, may allow them to retain current pay level.
- Bumping will be allowed into lower levels within an occupational category in which permanent status has been held, and with appropriate linkage to competency requirements of the job.
- DOP will provide criteria that agencies can use to make decentralized decisions about skill/competency requirements in the bumping process.
- Agency layoff procedures will no longer need prior DOP approval.
- A 15-day notice prior to layoff will be required. Employee can waive notice in order to move to different position. Agency can pay out in lieu of notification.
- Agency-internal re-hire from RIF:
  - Time on internal re-hire list: 2 years
  - Referral from re-hire list: all internal RIF names, plus internal promotional names
- Statewide re-hire from RIF:
  - Time on statewide re-hire list: 2 years
  - Referral from re-hire list: all RIF names, plus internal promotional names
- Employer may require a review period for a RIF appointee from the statewide re-hire list.
- Employer may require a review period for a RIF Transition Pool (RTP) appointee.

- RTP candidates may have unlimited number of waivers.

### **Work/Life Balance**

- Leave issues – pending
- Rules concerning flexible and alternative work schedules will be simplified and consolidated (general government and higher ed). Use is at discretion of employer.

### **Appeals**

- This area is under design consideration. Appeal rights are in statute.